

MINUTES

COMMISSION ON LOCAL GOVERNMENT

Regular Meeting

10:00 a.m., May 8, 2006

Members Present

Harold H. Bannister, Jr., Chairman
Kathleen K. Seefeldt, Vice Chairman
John G. Kines, Jr.
Vola T. Lawson
Frances M. Parsons

Members Absent

Others Present

Ted McCormack, Associate Director
Steve Ziony, Senior Economist
Adria Graham Scott, Senior Policy Analyst
Barbara Johnson, Administrative Assistant
Geline B. Williams, Former Commissioner

Call to Order

The Chairman called the meeting to order at 10:00 a.m., May 8, 2006 in the Board Room of the Department of Housing and Community Development in Richmond.

I. Presentation of Resolution of Appreciation to Geline B. Williams

The Chairman read a resolution that had been prepared by the members expressing appreciation to Geline B. Williams for her service on the Commission on Local Government from 1996 to 2005. A framed copy of the resolution that had been unanimously adopted at the March 13, 2006 regular meeting was then presented to Mrs. Williams. Mrs. Williams expressed her appreciation for the resolution, and noted that it was an honor to serve the Commonwealth as a member of the Commission. The various members of the Commission then offered their personal comments concerning their

pleasure of having had an opportunity to serve with Mrs. Williams.

II. Administration

A. Approval of Minutes of Regular Meeting of March 13, 2006

The minutes of the Commission's regular meeting of March 13, 2006 were approved unanimously.

B. Public Comment Period

The Chairman opened the floor to receive comments from the public. No person appeared to testify before the Commission during the public comment period.

C. Presentation of Financial Statement for April 2006

The Associate Director stated that the member's packet for the current meeting contained a copy of the internally produced financial statement covering the Commission's activities through April 30, 2006. He advised that the document contained data for ten months, or approximately 83.3% of the fiscal year, but agency expenditures for that period had consumed approximately \$263,000 or about 78.9% of appropriations. Mr. McCormack indicated that he did not foresee any extraordinary charges in the immediate future that would result in expenditures exceeding appropriations. The Commission accepted the financial report for filing.

D. Associate Director's Report

1. Revision of Commission Regulations

The Associate Director indicated that the Commission's Public Participation Guidelines and Regulations had been approved by the

Secretary of Commerce and Trade, and that both documents are awaiting review and approval by the Governor's office. He stated that once the Governor had completed his review, the Public Participation Guidelines and Regulations would be published in *The Virginia Register* and that a 30-day final adoption period would begin. Mr. McCormack reported that if no public objections to either document are received during that period, then the revised Public Participation Guidelines and Regulations would go into effect.

2. **Town of Onley – Accomack County Annexation Issue**

The Associate Director stated that he had been advised by the Town of Onley Zoning Administrator that Onley and the Town of Onancock had held a number of negotiating sessions in order to resolve a boundary change issue between the two municipalities and Accomack County. Mr. McCormack further reported that two County elected officials had previously indicated their support for boundary expansions by the two towns if the localities could reach a settlement of the issue. He noted that the Onley Zoning Administrator had indicated that an agreement between Onley and Onancock was very likely and once approved by both towns, it would be forwarded to the County for their concurrence. The Associate Director concluded by observing that if such a settlement is reached, it would likely result in a boundary line adjustment by the towns, and as such, would not be subject to review by the Commission.

3. **Governor's Urban Policy Report**

The Associate Director stated that Section 2.2-206 of the Code of Virginia requires each incoming governor to develop a report on the condition of the State's urban areas and to establish priorities for addressing those conditions. Mr. McCormack noted that that statute also provides for the establishment of a cabinet-level committee to oversee the development and implementation of the report. He indicated that support for that gubernatorial initiative falls within the area of responsibility of the Department of Housing and Community Development, and that, at a minimum, the Commission's staff would likely be requested to assist the Secretary of Commerce and Trade with the analysis of data regarding the condition of Virginia's cities and urban areas.

4. **Utilization of Fiscal Stress Components**

The Associate Director reported that at the March regular meeting several members requested information on the utilization by State agencies of data contained in the annual fiscal stress report. Mr. McCormack then distributed to the members two tables that contained the requested data. He noted that Adria Graham Scott, using information previously compiled by Steve Ziony, had conducted the research and revised both of the tables. Mr. McCormack indicated that the research revealed that eight State agencies used fiscal stress or one of its components in nine grant or loan programs that they administered. The

Associate Director observed that those nine programs represented over \$325 million each biennium in State assistance to local governments.

5. Fiscal Impact Statement Performance

The Associate Director distributed to the members a table that portrayed participation by the 32 counties and cities in the recently concluded fiscal impact statement process. Mr. McCormack noted that the table was requested by the members at their March regular meeting. The members then discussed the fiscal impact analysis process and the overall participation by the localities. At the conclusion of the discussion, the Associated Director was requested to revise the chart to record “Not Applicable” responses by localities, and further, to send letters of appreciation for good performance to the local governments that warranted such.

6. Meeting Per Diem

The Associate Director stated that, in accordance with the Commission’s Policy on compensation and reimbursement, per diem would be paid to Mrs. Parsons for her travel on May 7, 2006, and all members present for their service to the Commonwealth on May 8, 2006.

III. Mandate Assessment Process

A. Preliminary Staff Comment

The Associate Director observed that the Commission’s oversight of the process by which executive branch agencies assess the impact of mandates they administer on local governments is governed by an executive memorandum that

was signed in October, 1998. Mr. McCormack noted that unlike gubernatorial executive orders, executive memoranda do not legally have effect beyond the term of the governor that issued the latter document. He indicated that for the past several years, Commission staff made a number of unsuccessful attempts to either have a new executive memorandum signed or, alternatively, have an executive order issued by the Governor that would guide the mandate assessment process. He stated that an executive order would be preferable because it would emphasize the importance of the mandate assessment program, it would transcend the change of gubernatorial administrations, and it would send a message to the public and State agencies that the assessment of mandates was an important component of efficient and effective government. The Associate Director proposed that the Commission initiate action to secure a new guidance document from the Governor. He indicated that such an initiative would include an advertised public hearing held at a special meeting in July 2006, followed by a discussion among the members of any possible changes to the mandate assessment process by the members in July and September, with a final recommendation by the Commission forwarded to the Secretary of Commerce and Trade no later than the fall of 2006. In closing, Mr. McCormack requested that the members sanction a process to secure an update document to guide the mandate assessment process.

B. Commission Deliberation and Action

The Commission discussed the proposal put forth by Mr. McCormack. Mr. Bannister indicated that his preference would be to secure an executive order

from the Governor because of its permanence. After further comments, the members unanimously concurred with Mrs. Lawson's recommendation that the Commission and staff pursue the issuance of an executive order. The Commission also agreed to hold a special meeting in conjunction with the July regular meeting to receive public comment on proposed revisions to the mandate assessment process. The Associate Director advised that notification of the hearing would be published in *The Virginia Register* and the newsletters of the Virginia Association of Counties and the Virginia Municipal League and mailed directly to counties, cities, certain towns, and the planning district commissions, and that letters inviting written or oral comment would be sent to cabinet secretaries, executive branch agency heads and mandate contacts. The members also requested that Mr. McCormack draft a letter to the Governor for the Chairman's signature proposing the issuance an executive order, and further, prepare "talking points" for the Chairman and members concerning the mandate assessment process.

IV. Scheduling of Next Meeting

The next regular meeting was scheduled for July 10, 2006 at 11:00 a.m. at the Commission's offices in Richmond, Virginia. The Commission also scheduled a special meeting for 10:00 a.m. on July 10, 2006 at the same location.

V. Adjournment

The meeting was adjourned at 11:45 a.m.

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Harold H. Bannister, Jr.
Chairman

Ted McCormack
Associate Director